

Kahler Glen Community Association
Board Meeting Minutes
12 July 2014 – 8 a.m. – Kahler Glen Conference Center

President Michael Wandell called the meeting to order at 8:06 a.m. in the Kahler Glen Conference Center. Other Board members present: Carol Pierce, Dave Thorbeck, Kathryn DeMeritt, Dwight Miller, Paul DeWees, and Brooke Fritz (via phone).

Also present were Gary Marks (Manager), Kaye Marks, Kaye Crandall, Bill & Nancy Miller, Dave Reynolds, Mark Gubrud and John Christianson. In addition, Joanne Lowry and Glenn Week were there to represent the golf course.

Mike Wandell noted the presence of a quorum. Following is a summary of the agenda:

- Review & Approval of Minutes
 - Communications Report - Carol Pierce, KGCA Vice President
 - Treasurer's Report - Dwight Miller
 - Property Manager Report - Gary Marks
 - Director's Reports
 - Old Business — Plan B Issues
 - New Business
 - Public Forum
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A motion was made and seconded to approve the June 14 meeting minutes. The motion was approved unanimously.

Communications Report (Carol Pierce) —

Carol said a welcome letter had been sent to the new owner on the front 9.

A letter was received requesting someone take over monitoring of the mailboxes next to the Athletic Club since the volunteer doing this no longer lives at Kahler Glen (see New Business).

A letter was received from a property owner regarding noxious weeds. Gary stated he has already been in contact with the owner and that they have arranged an agreed-upon solution.

A letter was received from a property owner requesting clarification that septic and services are available for the lot they are selling. Dave said he has addressed the issue satisfactorily.

A letter and plan for a house on the back 9 were received from the Architectural Committee who requested authorization to approve the plan as submitted (see New Business).

A letter was received requesting information on the status of the Kahler Glen restaurant. A complaint was made that community members and the golf course have not been given the opportunity to review and provide input on the terms of the lease, the business plans of the lessee, or the purchase of equipment. Also stated was a perceived lack of transparency by the board and concern of a possible

conflict of interest if any board members are advising or investing in the restaurant. The letter was sent to the board on Friday, July 4; on Monday, July 7 the letter was forwarded by the ProShop to the entire community.

Discussion followed regarding the above letter. Mike asked whether the community's distribution list (i.e. roster) had been used to send the letter to the community and questioned the appropriateness of this. Carol said it appears the ProShop used the list and indicated the board received a letter from a community member who also questioned the appropriateness of this. Mike proposed establishing rules restricting use of the list unless approved of by the board. Kathryn questioned whether such rules would limit the ability of community members to communicate their issues with other members, but retracted by saying that members can air their issues to the board and that these issues would then be included in the minutes for all to see. Mike reiterated that all letters sent to the board are brought up at the meetings. Dave made a motion to create a policy that the roster is only to be used for personal communications between community members and not to be used for political or commercial purposes, nor to be used in its entirety unless approved by the Director of Communications, nor to be provided to any outside entity. Carol seconded the motion, which was approved unanimously.

Discussion then turned from use of the roster to the role of the ProShop (golf course) in distributing the letter. The board agreed the distribution to the community didn't feel good and was inappropriate, especially given that it was sent out only three days after being sent to the board on a holiday weekend. Carol reminded the board that during the Purchase & Sale negotiations, the idea had been floated to have regular meetings of the respective boards. Mike said he was already talking to someone on the golf course board and would propose those meetings start. Mike asked Carol to draft a letter to the ProShop stating that distribution of the letter to the community was unacceptable behavior.

Moving on to the next communication, Carol said a question had been submitted about where an RV can park since the overflow parking lot has been taken over by FireWise brush. Carol stated she had responded by suggesting they could park next to the tennis courts and that Gary had also told them they could park on an area just off Pelton Place above hole 15.

Carol then brought up the request for approval of the new condo paint colors. She mentioned the proper procedure is for the Architectural Committee to provide a recommendation to the board, and that the board generally approves whatever they recommend. The proposed colors were not present at the meeting, but a couple of board members mentioned seeing a range of options at the annual meeting and said they looked fine. Dave made a motion that the board accept the range of proposed colors as posted at the annual meeting. Dwight seconded the motion, which was approved unanimously.

Next Carol said a letter had been sent to the board from the golf course board approximately 15 minutes before our board meeting and she hadn't had time to read it nor forward it to the other CA board members prior to the meeting. Copies of the letter were brought to the meeting and distributed to board members by the golf course representatives (see Public Forum).

The issue of the dog that continues to be seen running on the golf course came next. Mike recognized Mark G from the floor who said he has also seen the dog on the course. Mike recognized Nancy M from the floor who suggested the board propose the owner install an invisible fence. Carol said she has already suggested that in a previous letter. Mike reiterated that, while the board may not like to issue fines, it is their job to enforce the covenants and the next level of fine is \$500. Dave made a motion that upon the next written complaint, the board will issue a fine of \$500, which can either be paid or applied toward the purchase of a suitable enclosure, electronic or otherwise. The owner must respond to the

board within seven days, indicating whether they will pay the fine or accept the mitigation; if mitigation is accepted, they will have 30 days to install the enclosure. The motion was seconded and approved unanimously.

Treasurer's Report (Dwight Miller) —

Dwight stated the May report from Esther the bookkeeper is still incomplete. He said she also indicated she has been too busy to complete the new chart of accounts that are needed due to purchase of the resort property. Mike expressed concern and frustration about the delay in reviewing year-end financials and the challenge in tracking expenditures against the budget without the chart of accounts. Gary said he plans to meet with Esther to obtain these items.

Mike said he wrote a letter to GESA authorizing Dwight's name to be included on the account.

Mike recognized Dave R from the floor who said at the annual meeting the community agreed to an audit but wanted to hold off for a year until the new chart of accounts was in place. He said the next step was contacting a tax attorney. Gary said he has contacted a tax attorney and our tax accountant and that the issue is moving forward. Mike authorized Gary and Dwight to obtain legal advice.

Managers Report (Gary Marks) —

Gary said a map of the Kahler Glen water system was due to the Department of Ecology in March and that his team is working on it. Mike recognized Glenn W from the floor who said a map of the water system already exists. Gary replied that existing maps don't include the irrigation system and that other items are needed, including proof of water rights and a certificate showing the well on 17 was turned over to the community association. He mentioned the Fisheries Dept is requiring metering of water that can affect salmon habitat.

Gary said his team's investigations have determined it's possible some water lines were installed below septic lines. Mike recognized John C from the floor who said this arrangement doesn't meet code. Mike recognized Glenn who said water lines can be installed below septic lines as long as they are properly sleeved, which they were. He added the system was inspected and approved by the county.

Mike recognized Dave R who said he has a map marked up with valve locations and will give it to John. Gary said locating valves is very important since a property owner plans to dig on Tuesday. Mike recognized Glenn who said digging should be done by hand and not by backhoe. Glenn added that people with high water pressure should have a pressure-regulating valve. Gary said his team was working on it. Glenn said the golf course had plantings that were washing out and offered his expertise in addressing this. Mike suggested Gary contact the golf course manager about the issue.

Next Gary said the electronic system on the river pump panel needs to be replaced and the septic panels need surge protectors.

Regarding noxious weeds, Gary reported his team has been working through the list provided by Kathryn. Carol asked Gary to look into the status of a lot that was partially cleared last year for building but has had no activity this year. Another unkempt property was brought up, and it was mentioned that the board authorized clean up and billed the owner, but that the invoice wasn't paid. Mike instructed Carol to send a letter to the property owner telling them the board will take over and bill them if they do not maintain their property.

Mike recognized Glenn who urged Gary to get the proper spraying permits in place so the resort doesn't get fined. Gary said eco-friendly spraying is approved without a license.

Information Technologies Report (Paul DeWees) —

Paul discussed the modifications he made to the new website design based on Carol's input and the items he's still working on. He distributed a copy of the revised home page and a wireframe showing an overview of pages and content. Several people made suggestions. Mike asked if a draft would be ready for the next meeting. Paul said it would but that he will be on vacation. Mike suggested the board announce the website will be presented at the board meeting in two months. After one month, interested persons can obtain a draft upon request.

Paul also distributed a draft of the Kahler Glen Rules & Regulations (unrelated to technology).

Infrastructure Report (Dave Thorbeck) —

Dave brought up issues with the four lots for sale on the front 9.

Old Business —

Mike recognized Bill M from the floor who said FireWise representatives had determined the scope of chipping of brush on the overflow parking in June, but that new brush had since been added. Dave said he heard FireWise may need to find more money and issue another contract due to the change in scope. Mike asked if FireWise would mitigate our costs if we rented a chipper. Gary said the CAST crew is too busy to take on chipping. Mike recognized Glenn who suggested making a huge pile and keeping a sprinkler on it until it can be burned when it snows. Mike stated the plan is to contact FireWise by letter, letting them know we are trying to follow their procedures, but that now we have a fire hazard on our parking lot.

Mike recognized Mark G from the floor who is helping to sell the vacant lots owned by the Community Association. Mark raised some property issues, including utilities and septic availability, a T-box and cart path, and possible deferment of dues by a developer. He asked for approval to list lot F2 for \$49,900. It was suggested the community may only be able to create two or three lots from lots F3, F11, F16 and F19. Mike asked if we could make the practice green a hole and eliminate hole 5. Dave asked to walk the area with Mark to come up with some creative solutions. Mike recognized Glenn who suggested the back 9 would be a better location for new lots. He said the board needed to keep requesting an extension or they would lose the ability to develop more lots. Mike recognized Nancy M from the floor who said she had been told lots can be moved as long as roads aren't crossed. Mike asked if that stipulation applied to private roads. Glenn said new lots can be added if a valid plan is taken to the commissioners. Mark suggested some people visit the county. Nancy voiced concern about installing a septic field above Nason Creek.

Next Mike raised the subject of clearing out the old equipment in the restaurant and around the maintenance building. Carol mentioned she spoke to the golf course board president a month ago and he assured her that clean up would commence immediately but that nothing had been done. After some discussion, Dave made a motion to change the locks and give the golf course 10 days to remove their equipment or the board will remove it and bill them. Dwight seconded the motion, which was approved unanimously.

On a related topic, Mike brought up the need for clubhouse repairs, stating the community is responsible for maintaining this asset. He voiced concern that his authorization limit of \$5k may not be enough to cover expenses. Dwight and Carol mentioned the cap on expenditures outside the budget is actually 5% of the annual budget. Carol made a motion that Gary proceed with necessary repairs and maintenance of the ProShop building, focusing first on the priorities of painting, replacing broken windows and lights, and replacing locks. The board authorized Gary to spend up to \$5k on these things, recognizing that other items, such as a railing around the patio, will be added later.

New Business —

Mike recognized Bill M who brought up the issue of the mailboxes near the Athletic club. He said the old mailbox doesn't meet Post Office standards and needs to be replaced. He suggested the mailbox be upgraded and a new cement pad poured to allow the addition of another mailbox. Estimated cost was \$2.5k. Mike authorized the purchase and installation of new mailboxes not to exceed \$2.5k. Mike asked Bill if he would volunteer to take over monitoring of the mailboxes; Bill agreed. Next Bill proposed the board consider renting the mailboxes since some people don't live in the area and mostly use the mailbox address to avoid paying Sound Transit taxes. Dwight responded he did not think residents should have to pay. Carol mentioned the issue of someone needing to collect the money. The board chose not to move forward on this.

Next Mike announced that a lease had been signed to provide restaurant, beverage and deli services with Kaye Marks. He asked Kaye to make a statement about her restaurant plans. Kaye said she is looking forward to having the space made available and is working with Randy in the short-term to provide golfers with hot dogs and drinks. Details such as opening date, menu, etc will be forthcoming. (Note: The KGCA President had included an agenda item to obtain formal board approval of the lease, which all board members had informally endorsed by email prior to signature, but he neglected to call that vote. The motion was subsequently made by email by Michael Wandell, seconded Carol Pierce and unanimously approved by email from each board member.)

The playground area on the front 9 was brought up. Gary mentioned hearing complaints about its safety and said the current location is a liability to the community.

The back 9 house plan came next. As the liaison with the Architectural Committee, Kathryn had asked Gary to help the board determine whether the ditch along the road can safely have a covered-over culvert instead as noted in the plan. Gary said it wouldn't be an issue. Carol made a motion to approve the house plan, including the proposed culvert. The motion was seconded and approved unanimously. Gary said he would draft a letter to the county stating that septic and electrical systems are in place and that the building plan was approved. The same letter will also be sent for another house being built on the back 9.

Community Forum —

Mike recognized Joanne L from the floor who apologized for the way her letter requesting information about the status of the restaurant was sent to the community. She said she is new and unsure of the way communication works. Carol and Mike explained the process. Joanne stated waiting a month for a board meeting was not fast enough and expressed her dismay that the golf course board was unable to review the restaurant lease and business plans. She requested weekly meeting with the lessee, Kaye, and someone from the golf course board. Mike recognized Kaye who said she will be operating the

restaurant as a business owner and does not need to show her business plans to the community. Mike mentioned the golf course board has not shared its business plans with the golf course investors. Mike recognized Bill M who said a plan was proposed to the golf course president last fall for a temporary lessee to run the restaurant while the Community Association gears up, but the president rejected it.

Mike recognized Glenn W who stated that weeds, dead trees and other basic services aren't being taken care of, which affects the golf course. He referred to the letter that had been sent to the board from the golf course board 15 minutes before the start of the KGCA Board meeting (copies of which were brought to the meeting). Mike responded that those issues existed when the resort owned the property and reminded Glenn that the Purchase & Sale Agreement specified the seller was selling the property as-is based on the seller determining that the property was suitable for use.

The meeting was adjourned at 11:05 a.m.

Respectfully submitted,
Kathryn DeMeritt, Secretary
Kahler Glen Community Association Board